

INSTRUCTIONS FOR COMPLETING THE TENNESSEE UST REIMBURSEMENT REQUEST

PLEASE READ THESE INSTRUCTIONS CAREFULLY BEFORE PREPARING THE REQUEST.

GENERAL INSTRUCTIONS

Always include the seven-digit identification number on any correspondence pertaining to the site for which reimbursement is requested. Each page of the request requires the facility identification number to be listed.

The initial request shall not be submitted until the Initial Site Characterization Report is completed according to the August 1996 guidelines, or contaminant levels are below the Division of Underground Storage Tanks (UST) action limits and the case is closed. Subsequent requests may be submitted at the completion of each event until corrective action is implemented, then every 60 days thereafter. **Invoices that are over one year old from date of performance to the time of receipt of the request will not be accepted nor reimbursed.**

This request contains 6 numbered pages plus 10 supplemental pages. The first page is informational in origin; pages 2, 3 and 4 are certification pages; page 5 is a task summary page; page 6 is the cleanup event page for each task performed; and the supplemental pages are used for itemizing the invoices. You may make extra copies of each page as needed.

The entire request must be printed in ink or typed (except signatures) and must be legible.

Only pages applicable to reimbursement should be completed, e.g. if mileage is not requested for reimbursement, the mileage page should not be included in the request.

Include the facility name and ID number on all pages. Include the task and the cleanup event being performed on the applicable pages.

Documentation must be supplied for all claimed costs. This includes all legible invoices and copies of canceled checks or certification affidavit for payment. **If proof of payment is not included with the reimbursement request, the check will automatically be issued dual party between the responsible party and the corrective action contractor and may be mailed to the contractor's address.**

Incomplete and/or inaccuracies will delay processing of your claim. A complete request is processed more quickly than an incomplete request. This results in the reimbursement payments being made in a timelier manner. Please include all back up documentation such as proof of payment, subcontractor invoices, manifests, and chain of custody forms when submitting the request.

The maximum amount to be reimbursed for completion of the reimbursement request is subject to the following: A base amount of \$100 is set for completing the reimbursement request, which includes the first Event page (page 6). An additional charge of \$50 will be permitted for each additional Event page submitted. These charges should be itemized and should consist only of a Reimbursement Coordinator, hours, and rate. The costs associated with completing a reimbursement request should be included on the last Summary Task page (page 5) of the

package and must identify for which request the costs are being applied. The reimbursement event page is not reimbursable and is not eligible for the \$50 allowance.

ADDITIONAL INFORMATION

The Division established the Authorization for Fund Eligibility form to allow owner/operators to inquire as to their eligibility and to enable the Division to establish the entry level (deductible) amount for a particular release. This form should be completed and submitted to the Reimbursement Section of the Division as soon as a release is reported. We will respond with the findings as quickly as possible.

You must use the Division's request form and submit backup documentation to support the claim. You must meet a deductible set for your release. The deductible must consist of Fund eligible expenses. You must submit proof that the invoices were paid or proof that the deductible amount was paid if the request is dual payment status. You must select an approved corrective action contractor and submit a copy of the contract. You must stay within the range of costs that the Division considers to be reasonable and eligible in order to be fully reimbursed.

*****If you do not provide the Division with a copy of the contract with the required verbiage included, you will not receive reimbursement for any eligible costs.*****
The required verbiage is from Rule 1200-1-15-.09(16)(b)(2)(v) which states:

“If the CAC is not the owner or operator of the tank that caused the release, the CAC will have a written contract with the underground storage tank owner and/or operator, and the contract shall contain the following sentence conspicuously located on the first page of the contract:”

“THE CORRECTIVE ACTION CONTRACTOR WILL/WILL NOT (mark one) USE THE DEPARTMENT'S REASONABLE RATE SCHEDULE WHEN INVOICING THE OWNER/OPERATOR FOR THE EXPENSES INCURRED IN THE INVESTIGATION AND CLEANUP OF THIS SITE.”

Effective July 1, 1997, pursuant to the Tennessee Code Annotated, Title 68, Chapter 215-Part 1 Section (a) has been amended by adding the following new section which states in part: “any person who contracts to provide investigation, identification, containment, cleanup, monitoring or maintenance of a petroleum site pursuant to the provisions of this chapter shall be subject to the following requirements. All such contracts shall include an express agreement that is clearly denoted by bold style type or other clearly distinguishable print and that requires the obligated party to initial or execute by a second signature. The provisions of this section shall only apply to contracts or agreements entered into, renewed or extended after June 30, 1997.”

Shown below is an example of the verbiage required for all contracts renewed or extended **after June 30, 1997:**

THE PARTIES AGREE THAT THIS CONTRACT PERTAINS TO:

**A. REMEDIATION OF THE SITE TO ACCEPTABLE STATE STANDARDS;
AND**

B. THE FOLLOWING ADDITIONAL TASKS.

INITIALS

**THE OWNER/OPERATOR UNDERSTANDS THAT THE TASKS MENTIONED
IN ITEM "B." THE ABOVE ARE NOT ELIGIBLE TO BE REIMBURSED BY
THE STATE UST FUND AND AGREES TO BE RESPONSIBLE FOR THOSE
COSTS.**

Reimbursement for Travel Cost Incurred

To be reimbursed for expenditures relating to travel, meals or lodging, reimbursements shall be in the amount of actual cost, subject to the limits and rules set forth in the State Comprehensive Travel Regulation. Below are the State's limits on travel costs.

Mileage: \$.32/per mile. The amount of miles reimbursed will be the miles **within Tennessee** an employee travels that exceed normal commuting miles from their residence to the official workstation. All mileage is limited to 250 miles round trip from the office to site and return.

Per diem: The charges for the motel room and meals may be added together and charged as one flat rate of \$90.00 per day or less. Hotel/motel receipts must support claims. If **legible** motel receipts are not included with the invoice, the per diem will be denied. If the per diem is divided among several sites, a copy of the hotel/motel receipt must be submitted with each claim with reference to the facility number where the original receipt was submitted.

Backup submitted for reimbursement must identify each individual. A hotel/motel receipt without a name on it is not acceptable.

Reimbursement of Capital Expense Items Exceeding \$5,000

Reimbursement of all purchased capital expense items will be paid on a 60/40 split. The first sixty percent (60%) of the capital expense will be paid with the application on which it is submitted. The remaining forty percent (40%) will be paid after the local Environmental Assistant Center case manager has performed the system inspection and the first monitoring report has been submitted. At that time, a letter requesting the remainder of the money must be submitted. Upon receipt, the request will be processed and paid.

The owner of equipment shall provide insurance coverage against destruction or loss of the equipment. Premiums on insurance may be reimbursed if properly identified.

Once the cost of equipment has been fully recovered and the task is ended, any proceeds from the disposal of the equipment shall be returned to the Tennessee Underground Storage Tank Fund (the Fund).

In the event the equipment is refurbished and reused at another site of the responsible party, the fund may reimburse for the cost incurred to relocate and refurbish plus ten percent (10%) of the original purchase price of the components being reused, provided it does not exceed fifty percent (50%) of the original purchase price.

In the event the equipment is sold to a contractor to reuse at another site, the fund may reimburse for the purchase price of the used equipment. This cost includes the purchase price, the cost of refurbishing, and the normal markup of fifteen percent (15%) on the moneys outlaid for this equipment. Ten percent (10%) of the original purchase price of the components being reused may be added to this cost provided it does not exceed fifty percent (50%) of the original purchase price.

Leased capital expense items

When cumulative lease costs of \$5,000 or more are incurred, the purchase price of the leased capital expense items and a copy of the lease agreement must be provided with the request. Reimbursement of all leased capital expense items in use 12 months or more will be limited to 1/18 percent of the purchase price per month. However, this amount shall not exceed the purchase price of these items unless operation, maintenance, or other service agreements are included in the lease rate and costs are identified in the request. Markups added to the cost of leased capital expense items will not be reimbursed.

For all leased capital expense items in use less than 12 months and exceeding \$5,000, reimbursement costs will be negotiable and must be approved.

Markup

Markup is limited to fifteen percent (15%) of the actual cost. Example: $\$1,000 \times 1.15 = \$1,150$.

Retail markup will not be reimbursed.

Cost plus markup shall not exceed the listed reasonable rates. Items not listed on the reasonable cost list are allowed a fifteen percent (15%) markup.

Markups on subcontractors are limited to one markup regardless of how many levels of subcontractors are involved and are limited to the amount shown in the reasonable cost price list.

Markup on utilities, per diem, or permits will not be reimbursed.

Documenting Internal Cost of Responsible Party

The Owner or Operator shall not receive financial gains from use of their own personnel or equipment.

Reimbursement shall be limited to actual cost.

Fees, markups, commission, or other consideration will not be paid.

Documenting Personnel Cost: Submit detailed time logs, which confirm the specific dates, time, and location the employee worked. Submit a description of each task performed. Documentation of each employee's salary such as W-2 forms or payroll register, etc., must also be included.

Multiplier of 1.5 may be applied to the employee's salary to cover costs for fringe benefits but should not exceed the amounts listed in the price list.

Administrative and management costs are not reimbursable.

Documenting Equipment Used: Submit a description of each piece of equipment used; a time log which confirms the specific dates, times, and locations where this equipment was used; and a description of the function performed.

Reimbursement will be granted at seventy-five percent (75%) of the listed price for similar equipment.

Instructions for Completing Page 1

Page one of this request is informational and must be completed in its entirety.

The first section must contain the seven-digit facility ID number, the name, and the address pertaining to the site location.

Print or type the name and address of the responsible party. Indicate the name of a contact person and a telephone number where that person may be reached. Indicate the type of applicant; check as many as applies.

List the totals from all task summary pages (page 5) in the appropriate areas and total the amount of this request. Include the dates the work was performed and do not overlap the dates on subsequent requests. All invoices must be for work performed in the time indicated on this page. If this is not the first reimbursement request for this site, please indicate subsequent request and list the number in parentheses such as 2, 3, 4, etc. for second, third or fourth request. Do not claim expenses, which were claimed on a previous request. List the name, company, and telephone number of the person completing the request.

Instructions for pages 2, 3, and 4

These pages are the certification pages. All pages must be the originals, completed in their entirety, signed, and notarized.

Remember to include the Federal ID or Social Security Number on page 4. **Only list the social security number if it is used as the business tax number.**

Page 4 is the page that will determine where the reimbursement check will be mailed. In most cases, this should be the name and address of the responsible party listed on the Fund Eligibility Form.

If proof of payment is not provided, the check will automatically be issued dual payment between the owner/operator and the corrective action contractor and may be mailed to the contractor's address.

Instructions for page 5. Task summary page

Task summary pages consist of five major phases of site rehabilitation and an "other" category. One task summary page should be completed for each phase of site rehabilitation. List the task being performed. The information on this page must be supported from information on page 6(s) of the request.

There should be only one page 5 for each Task and one page 6 for each Event performed.

Program Task

- A. Initial Response: These costs are associated with emergency response, soil and water removal and disposal, and alternate water supplies. This should include the work performed in the first 30 days after the release is discovered up to the Initial Abatement Report.
- B. Release Investigation and Confirmation: These costs are associated with the preliminary site investigation and cleanup event(s) necessary to confirm the release, including site ranking, monitoring, Environmental Assessment Report and Initial Site Characterization Report.
- C. Phase I Corrective Action: These costs are associated with the implementation of the Corrective Action Plan, such as the cost of writing the Corrective Action Plan and the installation of the Remediation System.
- D. Phase II Corrective Action: These costs are associated with the operations and maintenance of the treatment systems, corrective action monitoring, site status monitoring, and reporting.
- E. Other: Any costs that do not pertain to a specific category. Please describe the task thoroughly.
- F. Site Closure: This includes all costs associated with final cleanup work at a site. This section should include well abandonment, closure monitoring, and removal of remediation equipment.

Instructions for page 6. Cleanup events related to each program task

The cleanup event page can consist of thirteen (13) different cleanup events. For each event performed, one page should be completed (make copies of form). The exception to this is the Mobil Enhanced Multi-Phase Extraction (MEME) event. All MEME events shall be totaled and applied for on one page 6. The information on this page should be supported by supplemental forms. Be sure to include the Facility Name and ID number

as well as the task being performed (from page 5) and the cleanup event along with a brief description of work being performed.

Pages 5 and 6 may be reproduced to meet your needs. Please do not alter the format or change the page numbers on pages 1 through 6.

CLEANUP EVENTS

1. Free Product Removal: All costs associated with recovery of free product from subsurface soil and water.
2. Soil Removal: Costs associated with excavation and removal of soils contaminated with petroleum. This may contain heavy equipment rentals, and the cost of plastic barriers.
3. Soil Treatment: This may include passive or active soil venting, aeration, bioremediation, land filling, incineration, land farming, and hauling costs.
4. Water Treatment: This would include hauling and disposal of contaminated water or pumping and treating, and personnel, equipment rental, etc.
5. Monitoring: Costs associated with TGD - 007 (monitoring at UST sites). This includes personnel, laboratory analysis, rental equipment, sampling supplies, mileage, etc.
6. Mobile Enhanced Multi-phase Extraction (MEME): This includes equipment, personnel, water disposal, mileage, and all other costs associated with TGD - 016.
7. Off-Site Rehabilitation: Cost for any work necessary to remediate off-site damages caused by a release. This will include costs of remediating contamination, cosmetic replacement (not improvement or enhancement), right of access to property, etc.
8. Site Assessment: Costs associated with site investigation. This could include the cost of well drilling, sampling and analysis, tank tightness test (if instructed by the Division).
9. Environmental Report: Costs of preparing all **required** environmental reports (ISCR, EAR, CAP, etc.). This should include the time spent in the place of business preparing written reports. (Do not include time spent in the field). Total all reports for each program task on one page 6 under this heading.
10. Implementation of Corrective Action Plan (CAP): Cost of the remediation systems including installation.
11. Operation and Maintenance: Cost of operating the remediation system and any repairs or maintenance to the system.
12. Reimbursement Request: This should include the time spent in the place of business preparing the reimbursement request. (Do not include time spent in the field). Please identify for which request you are applying and list it on the last task page.

13. Other/closure: All costs that do not pertain to specific categories (must have prior approval by the Division), and include a description of the events, or anything associated with closure of the site such as well abandonment and removal of equipment.

SUPPLEMENTAL PAGES

These pages may be reproduced to meet your needs but must contain the same information.

a. Personnel Page: List on this page information concerning each individual who did work on this project for this claim period. Names of specific individuals must be used in all categories. Hours must be billed according to work performed, not the title of the individual. For example, if an engineer works 1 hour typing a report, the hour must be billed at a clerical rate. If the engineer works one hour as project manager, he should be listed as project manager to avoid the rates being cut to engineer rates. Be sure to list the applicable title for the work performed. **Please use the titles listed in the UST Reasonable Rates Guidelines staff descriptions. This will help resolve the disallowed cost/appeal procedure.**

b. Capital Expense page: Capital expense items are determined to be remediation systems of a non-consumable and nonexpendable nature, the value or cost of which is \$5000.00 or more and the normal life expectancy and operation of which is 1 year or more. Cost should include first time expenses of such items as pump, tubing, tray, housing, sales tax, generator, compressor and any other parts needed for installation. The equipment owner should have insurance on the corrective action system.

c. Rental page: List all equipment charged on a time usage value (excluding automobiles), and used on site. The cost of renting equipment must not exceed the cost of purchasing equipment for the site.

d. Mileage page: This should be self-explanatory. The State rates are \$.32 per mile for all vehicles under ½ ton. Larger vehicles may charge \$.40 per mile with a limit of 250 miles round trip.

e. Hauling and Disposal page: Include all costs associated with hauling and disposal of contaminated soil and/or water. Include land filling, land farming, and drum disposal.

f. Well Construction and Abandonment page: This page consists of all costs incurred in constructing a well. Please summarize the cost for each well into a unit cost per foot. List all samples, per diem, and mobilization associated with well drilling separately. Well abandonment should also be included on this page and each well identified.

g. Analysis page: List only required analysis. Analysis not required by the division may not be reimbursed.

h. Report page: Include all costs related to each report on one report page. If the costs for more than one report are being applied for under the task, complete a separate report page for each report. Do not submit the costs of the reports until the total cost of the report is incurred. For example, if the costs of several monthly discharge reports and a site status monitoring report are being requested, submit a report page for each report,

and total the costs onto one page six under environmental reports. The exception is when actions have been suspended by the Division. Reports may then be submitted as partial reports and should say, "action suspended, not yet submitted" under the submittal date.

- i. MEME page: Include all costs related to each MEME event. This excludes the applications and reports, which should be applied on a report page. Submit one MEME page for each MEME event performed.
- j. Miscellaneous page: Include supplies, freight, shipping, permits, per diem, utilities and any other items which do not pertain to other categories.

Cost for Performing a MEME.

The following examples deal with two different scenarios that are most commonly asked of the UST Reimbursement Section. Example A deals with contractors who perform the MEME themselves, in this case the CAC will either own their own or lease the equipment for the task. Example B shows the costs overseen by a CAC with a subcontractor performing the MEME event.

Example (A) Corrective Action Contractor Expected Cost

Section 1. Equipment: In this section we should see the cost of all field equipment needed on site the day the MEME event is scheduled to take place. This is the cost allowed for an eight hour MEME event. The cost includes a vacuum truck with driver on site for ten (10) hours, two (2) hours allowed for set-up and shutdown and eight (8) hours for the actual MEME event. Unit rates may vary with other equipment.

Field monitoring equipment, including safety and fitting connections for the truck and wells will be limited to a maximum of two hundred (\$200) dollars per day.

Mobilization and demobilization of a vacuum truck with driver will be limited to two (\$2) dollars per mile with a minimum billing of two hundred (\$200) dollars and a maximum of five hundred (\$500) dollars. Mobilization of other equipment may vary.

Section 2. Field Personnel: Field personnel on site for ten (10) hours (one person) includes an actual eight (8) hour event (TGD-016), plus two (2) hours for set-up and shut-down of equipment and taking water level measurements before and after the MEME event. A maximum of four (4) hours may be charged for actual travel to and from the site.

Section 3. Project Management and Report Preparation: A total of eleven (11) hours has been allowed for the following activities: deciding to perform a MEME event, completing the application and cost proposal, scheduling the MEME event, and preparing the final report for submittal to the appropriate UST offices. These eleven (11) hours should be split between all personnel who perform any of the above activities.

Section 4. Hauling and Disposal of contaminated liquid: The cost per gallon allowed is a maximum of 50 cents per/gallon; the volume of the liquids may vary. The cost of unloading the truck is included in the move/demove cost identified in Section 1.

Section 5. Total for the event.

Example (B) Corrective Action Contractor with subcontractor performing the MEME event.

Sections 1, 2, and 4 remain the same.

Section 3 is amended to allow the subcontractor's project manager two (2) hours for project time, two (2) hours time for senior review, and four (4) hours time for professional-report preparation.

Section 5. Totals for subcontractor MEME event.

Section 6. Project Management and Report Preparation: A total of seventeen (17) hours has been allowed for the following activities: deciding to perform a MEME event, completing the application and cost proposal, scheduling the MEME event, time onsite for overseeing the actual MEME event, travel time, reviewing the A **legible copy** of the subcontractor's invoice must be submitted with the CAC's invoice. The subcontractor's invoice must be in detail, listing specifically the type and quantity of the work or service performed, dates the work was performed, and daily charges.

Charges by the subcontractors for goods or services not listed in the cost list will be reimbursed at actual cost plus a one time maximum markup of fifteen percent (15%) to the CAC.

Appeals

Informal appeals submitted to the Reimbursement Section must state they are being submitted on the behalf of the Responsible Party. They must contain the name and address of the Responsible Party as well as the name and facility number of the site for which the appeal is submitted. They must contain the total amount of the appeal and identify the task and event being appealed.

Special Note:

Reclassification of personnel or events is not a valid justification for additional reimbursement unless sufficient documentation is submitted to back-up any reclassification appealed.